

Mr. Speaker, what State Farm says is, well, you weren't there when it happened, so we don't know how it happened. So unless you can prove to me that it wasn't a flood, we are not going to give you a dime.

Now, this leads to a couple of things. Why should a person have to stay in their home during a hurricane to get some fairness. I thought we put satellites in the sky. I thought we put buoys at sea, I thought we had the hurricane hunters fly planes into hurricanes to give us the warning to get the heck out of there. To encourage people to stay behind is only to encourage people to die. And yet the only people in south Mississippi who really got fairness from the insurance companies were the ones who stayed behind and miraculously lived, because they were an eye witness.

So we need all-perils insurance throughout our country.

The second thing. The insurance industry that told the Chapotons and the Haddens and the Benvenuttis now have the privilege of calling each other up; State Farm could call Nationwide, and say, you know what, I am not going to pay; don't you pay. And it is perfectly legal because they are exempt from the antitrust laws. That needs to change.

Lastly, because there is zero Federal regulation of the insurance industry, at this time there is absolutely nothing that I or any other Member of Congress can do about this. It is my hope that in the coming weeks we will fix all three of those problems.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BURTON) is recognized for 5 minutes.

(Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

MEDICARE PRESCRIPTION DRUG BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. ENGLISH) is recognized for 5 minutes.

Mr. ENGLISH. Mr. Speaker, I first want to congratulate the Speaker for the opportunity he has to preside today. Congratulations.

Mr. Speaker, 3 years ago, Congress passed a Medicare bill that for the first time created an opportunity for many seniors to have access to strong, valuable and persistent prescription drug coverage. Although the legislation was a compromise, and in places an imperfect one, this program has proven to be a success, working for seniors with a range of circumstances and particularly valuable resource for seniors of the most limited means, many of whom are in my district.

It falls on us in this Congress to consider ways that we can further strengthen this benefit. Unfortunately,

the legislation that we have debated today, H.R. 4, is a huge and real step back and is less of a policy than a bumper sticker.

As a member of the Ways and Means Health Subcommittee, which has jurisdiction over this program, I am deeply disappointed that we had no hearings, no discussion and no opportunity for amendments to produce a real pricing reform bill with teeth and with nuance. While part D is not perfect and can be improved, it is our fundamental responsibility to put in place a policy that might build on the successes of the program, and they are substantial.

Independent estimates for the Medicare part D prescription drug benefit for the fiscal year 2008 budget cycle show that net Medicare costs are 30 percent less, about \$190 billion lower than were originally predicted when the benefit was created in 2003.

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In addition, based on strong competitive bidding by health care plans for 2007, average monthly premiums will be approximately \$22 for beneficiaries, down from \$23 in 2006 if enrollees remain in their current plans. The initial estimate for 2006 premiums was \$37. CMS has indicated that beneficiaries are saving on the average of \$1,200 annually on their drugs, and these are achievements that must be preserved.

Many people in my district like the idea of the legislation which the House Democrats put forward today. I understand how they feel. I have long felt that we could improve on the existing policy and the existing process. But what I found was that the Democrats' plan is more of a political stunt than a solution. And it isn't at all a prescription for real reform, and it is, at best, a placebo, but one that could actually reduce the benefits and the coverage for many individual seniors. To understand why, we need to recognize how much this proposal has been criticized. Even leading liberals like Urban Institute president Robert Reischauer and Brookings Institution senior fellow Alice Rivlin have expressed real qualms about an initiative that limits choices for seniors by putting government bureaucrats in charge of setting prices for prescription drugs. Reischauer recently said to The Washington Post: "People were worried no private plans would participate. Then, too many plans came forward. Then people said it's going to cost a fortune and the price came in lower than anyone thought. Then people like me said that they are low-balling the prices the first year. They will jack up the rates down the line. And lo and behold, the prices fell again. And the reaction was, we have got to have the government negotiate lower prices. At some point you have to ask, what are we looking for here?"

Rivlin stated: "It's not clear that a government, particularly this government, would get a better deal from the drug companies by direct negotiations

than the drug plans can get on their own, and it might have some negative consequences."

We also want to recognize that the new majority has claimed that their proposal will provide significant savings, when, in fact, the CBO, non-partisan, has announced that H.R. 4 would in their view have no budget savings and a negligible effect on Federal spending.

The reasons why I felt, as an advocate and caretaker for this program, obliged to oppose H.R. 4 are clear: one, this measure is not going to generate savings for the consumer; two, government price-setting will only drive drugs out of the program and reduce seniors' access to critical drugs that may be central to their treatment as individuals.

This plan could potentially, three, limit seniors' access to their community pharmacies. For many seniors, advice from their pharmacist is a critical service that they need to have access to to coordinate their drug uses and find the best coverage.

And, four, finally, this plan could lead to increased drug prices for America's vets.

Mr. Speaker, I believe we could improve on this legislation, and I will speak next week about some further ideas. I believe that there is a significant difference between the plan we have and the VA plan; and if we don't recognize those differences, we are going to shortchange seniors, and this bill that we voted on today will generate no savings. And I hope when it comes back from the Senate, that there will be an opportunity to substantially correct it, put teeth into it and create a real nuanced policy that will add to the successes of our part D program.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. SCHIFF) is recognized for 5 minutes.

(Mr. SCHIFF addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

OPPOSITION TO THE RENOMINATION OF ROBERT HOGLAND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. PALLONE) is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, I want to express my concern this afternoon and my opposition, indeed, to the renomination of Robert Hogland by the Bush administration as U.S. Ambassador to Armenia. And I also want to take this opportunity to thank my colleague from New Jersey, Senator MENENDEZ, for his continued opposition to the nomination.

This makes no sense, Mr. Speaker. The Senate Foreign Relations Committee reviewed the nomination of Mr. Hogland, had hearings, asked extensive